## NON-EXCLUSIVE BEAT AGREEMENT

This Non-Exclusive Beat Agreement (the "Agreement") is effective as of the date of purchase of the Beat (as defined herein) (the "Effective Date") is entered into by and between you (hereinafter "Licensee") and Fette Beats Production LLC ("Licensor"). Each of Licensor and Licensee are individually referred to herein as a "Party" and collectively as the "Parties". For good and valuable consideration, the receipt and legal sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

- 1. <u>Term</u>. The Term of this Agreement begins on the Effective date and shall terminate as provided herein (the "Term").
- 2. License Grant; Usage; Restrictions.
  - A. Licensor solely owns or controls the rights in a certain music beat Licensee desires to download from Licensor's website (the "Beat"). The Beat is not subject to any other ownership or controlling rights from any other person or entity. Licensee may not grant any sublicenses to any third party without the prior express written consent of the Licensor, which consent may not be unreasonably withheld.
  - B. Licensor hereby grants to Licensee a worldwide, revocable, non-exclusive, nontransferable, non-sublicensable right and license to use the Beat in connection with the preparation of one (1) new song or to incorporate the Beat into one (1) new piece of music created by Licensee (a "Song"). It is understood and agreed that this license shall pertain only to the Beat and the license does not extend to any other mark, product or service.
  - C. The Licensor hereby grants to Licensee a non-exclusive license to copy, perform, edit and/or loop portions of record on film, video, digital animations, and video games and use the Beat in synchronization or timed relation with the productions of these projects.
  - D. The Licensor hereby grants to Licensee no broadcasting or performance rights. A separate license will need to be purchased for rights to perform or broadcast or air the Song on radio stations, or channels.
  - E. Licensee hereby agrees to use the Beat in the form provided by Licensor without any modifications thereof. For clarity, Licensee may not remove any instruments or portions of the Beat.
  - F. The Parties acknowledge and agree that the Song is a "derivative work" of the Beat and there is no intention by Licensor to grant licensee any rights in any other derivative works created using the Beat.
- 3. <u>Mechanical License</u>. The Licensor hereby grants to Licensee a non-exclusive License to use the Song in the reproduction, duplication, manufacture, and distribution of phonograph records, cassette tapes, compact disks, internet downloads, other and miscellaneous audio and digital recordings, and any lifts and versions thereof (collectively, "Recordings") worldwide

for up to the pressing or selling a total of 1000 copies of such Recordings or any combination of such Recordings. The Licensee is required to contact the Licensor for a renewal or upgrade once the Recordings sold limit has been reached. Once the limit has been reached, all terms in this Agreement will be considered null and void until a new license has been purchased. Additionally, Licensor shall be permitted to distribute unlimited internet downloads for non-profit and non-commercial use.

- 4. Ownership; Credit.
  - A. Licensor shall have all ownership rights and any other intellectual property rights over the Beat and can continue to license on an exclusive or non-exclusive basis the rights to the Beat to other licensees at any time without providing notice to Licensee. In the event another party purchases exclusive rights to the Beat from the Licensor, the Licensee will retain non-exclusive rights under the limitations listed in this Agreement and until these terms have been fulfilled. Nothing contained herein shall constitute an assignment by Licensor to Licensee of any of the foregoing rights.
  - B. Licensee has neither the right not the authority to sell or license the rights to the Beat whether in whole or in part to any other party.
  - C. Licensee shall acknowledge the original authorship of the Beat appropriately and reasonably in all media and performance formats by acknowledging Licensor as the relevant author in writing where possible and vocally otherwise (i.e. Produced by Fette Beatz). Where a project is commercially released and registered with a performance rights organization, Licensor shall be acknowledged as a writer and shall receive the appropriate compensation thereto. The Licensee is required to contact the Licensor for any commercial release of the Song.
- 5. <u>Sampling</u>. If the Beat includes samples, the Licensee understands that the sequence and music arrangement is considered an original work and the clearing of any sampled materials is the sole responsibility of the Licensee. Samples may not be cleared before composition, and Licensee is required to seek clearance for the samples. The Licensee is responsible for clearing all samples used (if any) and the Licenser cannot and will not be held liable for the misuse of any sampled material that the Licensee uses in conjunction with the Beat that is being licensed in this agreement.
- 6. <u>Fees</u>. The Licensee shall pay Licensor Two Hundred Dollars (\$200.00) (the "Fee") on the Effective Date in exchange for one (1) .WAV file and one (1) stems file of the Beat, use of the Beat, and the rights granted in this Agreement. All rights granted herein will not vest until the Fee is paid.
- 7. <u>Delivery</u>. Upon payment of the Fee, Licensor will deliver to Licensee high quality .WAV and stems files of the Beat and will use commercially reasonable efforts to deliver the beat promptly after payment of the Fee is made. Licensee will receive the beat via email to the email address provided by Licensee at the time of payment.

- 8. <u>Termination</u>. In the event a Party materially breaches its obligations hereunder, the other Party may terminate this Agreement upon thirty (30) days prior written notice to the breaching Party (or such shorter time as may be required by exigencies outlined in the notice, but in no event less than ten (10) days). If the breaching Party does not cure the material breach within the thirty (30) days (or such shorter time as exigencies may require), this Agreement will automatically terminate at such time.
- 9. <u>Representations and Warranties</u>.
  - A. Licensee hereby represents and warrants that Licensor has not made any guarantees that the Beat is fit for the particular purposes intended by the Licensee. The Beat is licensed to the Licensee "as is" without warranties of any kind.
  - B. Licensee warrants that the use of the Beat and the Song will not violate or infringe upon any of the rights of third parties.
  - C. Licensor represents, warrants and covenants that it has the right, power and authority to enter into this Agreement and to perform all of its obligations, financial or otherwise, hereunder.
- 10. <u>Indemnification</u>. Licensee shall defend, indemnify and hold harmless the Licensor from and against any and all claims, liabilities, losses, injuries, damages and expenses, including reasonable attorneys' fees arising from or relating to (i) Licensee's negligence or willful misconduct; (ii) any breach (or allegation that, if true, would constitute a breach) of Licensee's representations, warranties, covenants or obligations hereunder; and (iii) that the Song or use of the Beat will not infringe upon or violate any common law or statutory right of any person, firm, or corporation and will not constitute libel and/or slander.
- 11. <u>Dispute Resolution and Arbitration.</u> This Agreement is governed by, and will be construed in accordance with, the laws of the state of New Jersey without regard to any choice of law or conflicts of law rules, and the forum and venue for any dispute shall be in New Jersey.

ANY CONTROVERSY OR CLAIM ARISING OUT OF OR RELATING TO THE LICENSE OR THIS AGREEMENT SHALL BE RESOLVED BY FINAL AND BINDING ARBITRATION ADMINISTERED BY THE AMERICAN ARBITRATION ASSOCIATION IN ACCORDANCE WITH ITS ARBITRATION RULES AND PROCEDURES OR SUBSEQUENT VERSIONS THEREOF ("AAA RULES").

12. <u>Limitation of Liability</u>. Licensee each hereby releases Licensor from all liability for injury, death, property loss and other damage that results from any activities related to Licensee's performance under this Agreement. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, LICENSOR SHALL NOT, UNDER ANY CIRCUMSTANCES BE LIABLE TO LICENSEE FOR ANY SPECIAL, INCIDENTAL, INDIRECT, PUNITIVE OR CONSEQUENTIAL DAMAGES OF ANY KIND, ARISING OUT OF, OR IN CONNECTION WITH THIS AGREEMENT, NOR ANY LOSS OF BUSINESS OR LOSS OF PROFITS, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR ANY OTHER LEGAL OR EQUITABLE THEORY, EVEN IF LICENSOR HAS BEEN ADVISED OF THE

POSSIBILITY OF SUCH DAMAGES. LICENSOR'S LIABILITY TO LICENSEE ARISING OUT OF ANY BREACH OF THE AGREEMENT, REGARDLESS OF THE DAMAGES THEORY, SHALL NOT EXCEED AN AMOUNT EQUAL TO THE FEE.

- 13. <u>Waiver of Injunctive Relief.</u> Licensee's remedies for any breach of this Agreement are limited to an action at law for money damages, if any. Licensee shall not be entitled to equitable relief, and under no circumstances shall Licensee have the right to enjoin or otherwise interfere with the ownership or exploitation by Licensor of the Beat.
- 14. Miscellaneous. This Agreement supersedes all prior negotiations, understandings and agreements between the Parties with respect to the subject matter hereof, and the Parties each respectively acknowledge and agree that they have not relied on any representations or promises in connection with this Agreement not contained herein. This Agreement cannot be modified or amended in any way except by a written instrument signed by the Parties. The waiver of any term, condition, or breach of this Agreement shall not be deemed to be a waiver of that breach or any other term or condition in the future. Should any provision of this Agreement be held to be void, invalid or inoperative as a result of any judicial or administrative proceeding or decree, such decision shall not affect any other provision hereof, and the remainder of this Agreement shall be effective as though such void, invalid or inoperative provision had not been contained herein. Licensor shall have the right to freely assign its rights hereunder, in whole or in part, to any person or entity. Licensee is not permitted to assign this Agreement to any third party. This Agreement shall be construed in accordance with and governed by the internal laws of the state of New Jersey without giving effect to any conflict or choice of law rules that would result in the application of any other state's laws, and the parties agree to submit to the personal jurisdiction of the courts of New Jersey. Each Party shall execute and deliver all instruments and documents and take all actions as may be reasonably required to carry out and effectuate the purposes and intent of this Agreement, including, without limitation, separate assignments of any rights granted by one Party to the other Party in this Agreement.

IN WITNESS WHEREOF, this Agreement has been agreed to by the Parties as of the Effective Date.